

DEPARTMENT OF
PUBLIC HEALTH AND HUMAN SERVICES



JUDY MARTZ
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STATE OF MONTANA

www.dphhs.state.mt.us

PO Box 4210
HELENA, MT 59604-4210

January 2, 2003

To: Licensed Psychologists, Clinical Social Workers, Clinical Professional Counselors

From: Lou Thompson, Chief
Mental Health Services Bureau

Re: Mental Health Program Changes

Dear Provider,

After reviewing claims submitted during the first quarter of this fiscal year, and making projections based upon that data, it is clear that we are spending our Medicaid appropriation at a rate that will result in a deficit before the end of the fiscal year. As a result, the Department has identified a series of program changes that are designed to reduce our Medicaid expenditures for mental health services to the level of funding we have available for FY2003.

Effective January 15, 2003, the following procedure codes for psychologists, social workers, and licensed professional counselors will be eliminated:

90808	Individual psychotherapy, 75 – 80 minutes
90814	Individual psychotherapy, interactive, 75 – 80 minutes
90821	Individual psychotherapy, inpatient, partial hospital, or residential, 75 – 80 minutes
90828	Individual psychotherapy, interactive, inpatient, partial hospital, or residential, 75 – 80 minutes

Individual and/or family outpatient therapy for adults by psychologists, social workers, and licensed professional counselors will be limited to 16 sessions per year (8 sessions for the period January 15 through June 30, 2003). This is a fixed cap on the number of sessions. Group therapy sessions are not included in the limited sessions.

A 5% rate reduction will be implemented for all services provided by psychologists, social workers, and licensed professional counselor. Additional changes in reimbursement for mental health center services, therapeutic family and group home

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services, residential treatment, and partial hospitalization will be implemented on January 15 as well. These rate reductions apply to both Medicaid and MHSP.

We have included a letter from the Department that you may copy and distribute to your patients that explains these changes.

We make these program changes reluctantly and we understand that they will create hardships for providers and consumers. The Department has not been successful in employing other methods to control costs. Although some providers have been successful in reducing their claims, overall we are faced with a \$6.3 million projected deficit for the balance of this fiscal year.

If you have questions about these changes, please contact Lou Thompson (444-9657). Changes will be implemented through a temporary emergency rule amendment. If you have comments, you are encouraged to respond to the proposed rule amendment.

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PO Box 4210
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To: Medicaid Mental Health Beneficiary

From: Lou Thompson, Chief
Mental Health Services Bureau

Re: Mental Health Program Changes

Dear Medicaid Beneficiary,

Every two years the Montana Legislature provides an appropriation of funding to the Addictive and Mental Disorders Division for mental health services. After reviewing expenditures for the period between July and October, it is clear that we are spending our appropriation at a rate that will result in a deficit in excess of \$6 million before the end of the fiscal year. Because we are prohibited by law from spending more money than our budget allows, we have identified a series of program changes that are designed to reduce our Medicaid expenditures to a level that will not exceed our budget.

- Effective January 15, 2003 Medicaid will no longer pay for outpatient therapy sessions that are 75 to 80 minutes in length.
- Effective January 15, 2003, the number of individual and/or family outpatient therapy sessions for adults will be limited to 16 per year. For the period between January 15 and June 30, 2003, there will be a limit of 8 sessions. This is a fixed cap on the number of sessions that will be paid for. Group therapy sessions are not included.

We make these program changes reluctantly and we understand that they will create hardships for consumers and providers.